

It's Your Business

Bernard J. Paprocki
District Director

SBA Breaks All-Time Loan Record

Agency Has Already Surpassed 2003 Loan Numbers

SBA Administrator Hector V. Barreto recently announced that, with almost two full months still remaining in the fiscal year, the SBA has already backed more loans in its 7(a) and 504 programs than ever before in its 51-year history.

As of August 6 – eight weeks before the end of fiscal year 2004 – the SBA's 7(a) loan program had guaranteed 67,493 loans in FY 2004, more than the record 67,306 7(a) loans made in all of fiscal year 2003. In addition, the agency has backed 6,974 loans through its 504 program, surpassing the 2003 record of 6,863. The 2004 fiscal year ends on September 30. When compared to the same time last year, these record-breaking numbers represent dramatic increases: 23 percent for 7(a) and 27 percent for 504.

The Syracuse District Office is experiencing similar increases. In a month-to-month comparison of loan activity, the total of 7a and 504 loans increased 23% as of Aug 30th this year.

"We have had three record-breaking months this year and expect to easily surpass the number of loans made last year," said District Director Bernard J. Paprocki.

SBA Administrator Hector Barreto said, "Breaking records like this is about more

than making history," Barreto added. "This is good news for America's small business owners. It means that we are making a real difference in the lives of more and more entrepreneurs, and that they are going on to make a real difference in our economy. Over the last 11 months, American farms and businesses have created 1.5 million new jobs. We know that when the economy is growing and jobs are being created, small businesses are always in the lead. They are the engine of our economy, and I am proud to be able to work with President Bush to help create an environment in which they are succeeding."

Not only has the SBA broken overall lending records, but also it has exceeded 2003 numbers for some of the fastest growing segments of the small business community. With almost two months remaining in the 2004 fiscal year, the SBA has already surpassed the total 2003 number of loans to African Americans, Hispanics, Asian Americans, women and rural entrepreneurs.

In the Syracuse District, loan guarantees to African Americans, Hispanics, Native Americans and Asian Americans are nearly 20 percent ahead of their totals at the same date last year. Loans to women are up by 34 percent, rural loans are up 34 percent and loans to Veterans are 92 percent ahead of this time last year.

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Small Business Resource Guide
• online at: www.reni.net

SBA Homepage www.sba.gov

To be added to our mailing list, please email Cathy Pokines, Director of Marketing and Communications at cathy.pokines@sba.gov

Month-to-Month comparison of 7(a) and 504 Loans in the Syracuse District

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total
2000	35	56	56	55	59	91	90	66	85	73	91	102	859
2001	63	77	47	54	48	84	53	73	52	55	80	65	751
2002	54	47	46	50	40	70	66	62	58	64	69	95	721
2003	47	59	71	52	60	46	79	53	58	61	62	84	732
2004	69	53	66	54	54	102	80	85	70	84	83	—	800

North Country Boat Store Rides Wave of Success

It was the winter of '98 and Mark LaLonde had just closed out the books on his 4th successful year of running Hutchinson's Boat Works in Alexandria Bay in the heart of the beautiful 1000 Islands. Mark had inherited the nearly century-old business from his father, who had been preparing him since his teen years to run the retail boat store and marina.



Indoor Showroom at Hutchinson's Boat Works.

Mark learned at a young age that good customer relationships were essential to business success. "Service has always been important. We are a company that depends on the customers we have," said Mark.

His experience in all aspects of the operation of the business, from retail to repairs, has allowed him to create a *complete* boat store that serves the all

But in 1998 something happened that no one could prepare for, the worst ice storm to hit the North Country in over a century. For months the last thing on anyone's mind was buying a new boat, and those that did think about it couldn't travel the roads that were blocked by thousands of downed trees and power lines.

As North Country residents struggled to clean up the widespread damage, Mark saw his business revenues plummet. He turned to SBA and received an Economic Injury Disaster Relief loan for \$195,800 to help him get through this very difficult time.

The following winter, disaster struck again and the weight of a heavy snowfall caused the roof of the boat showroom and office building to collapse destroying the building and most of the inventory inside. Mark, a young business owner, with a young family to support, was at a crossroads---close-up shop, simply make the repairs or expand the operation into the business of his dreams. Mark took the risk and went for his dreams.

Based on his positive experience with SBA from his previous disaster loan, Mark decided to apply for another SBA loan through HSBC Bank. He used the \$650,000 SBA 7(a) loan to build a newly designed climate controlled showroom and office building that resulted in greatly increased sales. In 2003, Mark saw a 65% increase in revenue. "It really showed me how it takes money to make money," said Mark in retrospect.

the needs of his customers. Whether you're looking for a 17-foot runabout, a 48-foot yacht or a high-speed powerboat, you'll find it among the hundreds of boats available at Hutchinson's Boat Works. Hutchinson's also provides outside and inside docking, boat and engine repairs, gas docks and marine supplies. They are open year round, seven days a week.

The business continues to grow, currently employing 35 people. Revenues have increased so much that the business is no longer considered a small business by SBA size standards.

Because of this growth and Mark's success, HSBC Bank nominated Hutchinson's Boat Works, Inc. for the SBA's Entrepreneurial Success Award. Mark LaLonde accepted the award in Syracuse this past May recognizing the support of HSBC, SBA and his family for the success of the business.



SBA Reaches Out to Small Businesses in Broome County

Now small business owners and aspiring entrepreneurs in Broome County and adjacent counties in the southern tier will have an additional resource available to help them start or expand their businesses.

The U. S. Small Business Administration has teamed up with the Town of Union Department of Economic Development to bring SBA programs and services directly to the small business community.

An SBA business advisor will be available Tuesdays and Thursdays at the Town of Union offices, 3111 E. Main Street in Endwell, N.Y. to meet with by appointment. SBA provides access to a vast network of business resources and services throughout Upstate New York and nationwide. Additionally, small business owners can get information on financing their business, SBA loan programs and government procurement. Services provided by the SBA are

confidential and free of charge.

"Studies show that small business owners that take advantage of expert assistance have a better success rate than those that try to do it all on their own," said Bernard J. Paprocki, SBA's Syracuse district director. "We hope that small business owners and those just thinking about starting a business here in the southern tier will take the time to learn about the many resources available through the SBA that can help them succeed."

"We are excited to be hosting such a valuable resource for the small business community and encourage entrepreneurs to visit and explore what is available," said Joseph M. Moody, director of the Town of Union Department of Economic Development.

To schedule an appointment contact Howard Garrity, SBA's economic development specialist at the Town of Union office at 607-786-2960.

Small Business ~Growing~ Opportunities

A **FREE**, half-day workshop offered by the SBA

**September 16th
7:30 to 12 noon**

**The Best Western
Regency Hotel
Binghamton**

To register call
607.786.2945 or email
jmoody@townofunion.com

Free continental breakfast, workshops and materials.

Learn about the latest business and financial opportunities available from the SBA, the NYS Small Business Development Center, the Town of Union, the New York Business Development Corp, the Women's Business Center of New York State, the Greater Binghamton Chamber of Commerce and SCORE.

Workshops on business planning, effective marketing, commercial loan packaging and HUBZones.

Lenders Ask

Q: What do we need to send to the SBA after we close our LowDoc loan?

A: You only need to send the Form 159, the compensation agreement. Send it to the Little Rock Commercial Loan Service center, rather than the LowDoc center as the file will have been shipped to Little Rock seven days after loan approval.

Q: How is the on-going service fee paid? I thought it was an annual fee.

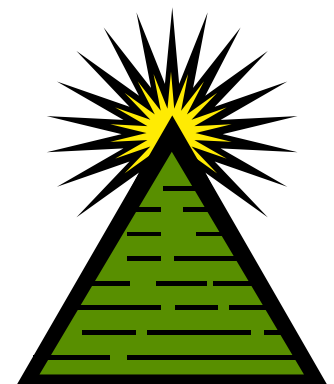
A: It is an annual fee that is paid monthly on the declining balance of the loan through the 1502 process. If you are not sure how to report this fee on the 1502, you should contact Colson Services Corp toll free at 877.245.6159. Failure to pay this fee in a timely manner to SBA could result in a loss of SBA's guaranty on the loan.



Small Business Owners Feel More Positive

Things are looking up for small-business owners, according to the latest Small Business Economic Trends report released by the National Federation of Independent Business (NFIB). In July, the optimism level jumped nearly three points to 105.9, one of the highest readings in more than two decades.

There are 10 key components in the report. These include: plans to increase employment, increase capital outlays, increase inventories, expectations of the economy improving, expectations of higher real sales, current inventory satisfaction, current job openings, expectations of credit conditions, earnings trends, and if now is a good time to expand.



SBA 7(a) Loan Approvals			10/1/03 - 8/31/04			
<u>Lender</u>	<u>No.</u>	<u>Amount</u>		<u>Lender</u>	<u>No.</u>	<u>Amount</u>
HSBC Bank, USA	96	\$7,155,000		Community Bank & Trust Co.	1	\$145,000
Manufacturers & Traders Trust Co.	80	\$12,223,100		United Midwest Savings Bank	1	\$120,000
Capital One Fed. Savings Bank	59	\$2,415,000		Bank of Richmondville	1	\$116,500
Bank of America	47	\$1,898,700		National Bank of Geneva	1	\$112,500
New York Bus. Development Corp	44	\$7,914,028		The National Bank of Vernon	1	\$103,000
Banknorth Nat'l Assoc.	40	\$4,721,800		Bank - America Nat'l Assoc.	1	\$100,000
NBT Bank, National Association	28	\$4,124,300		Chemung Canal Trust Co.	1	\$80,000
KeyBank National Association	27	\$5,751,200		Chittenden Trust Company	1	\$60,000
The Adirondack Trust Company	25	\$1,269,100		National Bank of Stamford	1	\$35,000
JPMorgan Chase Bank	23	\$2,257,800		SunTrust Bank	1	\$35,000
First Niagara Bank	21	\$3,478,661		Cayuga Lake National Bank	1	\$25,000
Tioga State Bank	16	\$6,304,000		Bank of the Southwest	1	\$20,000
Glens Falls Nat'l Bank & Trust Co.	15	\$2,444,000		Wells Fargo Bank Nat'l Assoc.	1	\$15,000
Alliance Bank, N.A.	14	\$1,670,800		Total:	714	\$100,671,590
Watertown Savings Bank	13	\$658,003				
The Oneida Savings Bank	12	\$1,348,500		SBA 504 Loan Approvals		10/1/03 - 8/31/04
Community Bank Nat'l Assoc.	11	\$991,000				
Partners Trust Bank	10	\$1,585,704		Empire St. Cert. Dev. Corp	58	\$21,698,000
CIT Small Bus. Lending Corp	9	\$4,632,000		Greater Syracuse Bus. Dev. Co	15	\$5,288,000
Business Loan Express	9	\$4,493,000		Operation Oswego County, Inc.	4	\$1,010,000
Alternatives FCU	9	\$561,928		Mohawk Valley Cert. Dev. Corp	2	\$266,000
Solvay Bank	7	\$1,180,000		Total:	79	\$28,262,000
The Rome Savings Bank	7	\$909,000		Total 7(a) and 504 loans: 793 \$128,933,590		
Steuben Trust Co	6	\$1,101,000				
TrustCo Bank	6	\$411,200		504 Third Party Lenders		
Wilber National Bank	5	\$1,550,000		KeyBank, Nat'l Association	9	\$3,005,650
Pathfinder Bank	5	\$496,185		HSBC Bank USA	8	\$3,155,854
Commerce Bank Nat'l Assoc.	4	\$2,878,700		M&T Bank	6	\$1,157,500
Interstate Net Bank	4	\$1,256,700		Solvay Bank	5	\$2,079,002
Tompkins Trust Company	4	\$543,000		Charter One Bank	4	\$2,787,500
Elmira Savings & Loan, F.A.	4	\$467,000		Banknorth	4	\$2,408,000
Visions FCU	3	\$1,128,800		Tompkins Trust Company	3	\$3,731,100
State Employee FCU	3	\$143,000		Adirondack Trust Company	3	\$1,782,500
UPS Capital Business Credit	2	\$2,110,000		NBT Bank, N.A.	3	\$775,000
GE Cap. Small Bus. Finance Corp.	2	\$800,000		Pathfinder Bank	3	\$384,601
Valley National Bank	2	\$699,000		TrustCo Bank	2	\$1,829,350
Newtek Small Bus. Finance Inc.	2	\$384,000		The Bank of Bennington	2	\$1,737,250
The Elmira Savings Bank, FSB	2	\$270,000		First Niagara Bank	2	\$645,000
Independence Bank	2	\$240,000		Savannah Bank	2	\$492,500
Bath National Bank	2	\$215,000		First Nat'l Bank of Scotia	2	\$491,000
Savannah Bank Nat'l Assoc.	2	\$212,500		Berkshire Bank	1	\$1,965,000
The Tupper Lake National Bank	2	\$160,000		CIT Small Bus. Lending	1	\$1,842,500
First National Bank of Scotia	2	\$79,431		Champlain Nat'l Bank	1	\$1,525,000
OCNB	2	\$70,000		Bank of America	1	\$1,100,000
Innovative Bank	2	\$15,000		Chemung Canal Trust Co.	1	\$830,000
Star Bus. & Indust. Dev. Corp	1	\$1,235,000		Business Loan Express	1	\$670,000
Business Lenders, LLC	1	\$750,000		Delaware Nat'l Bank Delhi	1	\$600,000
Comerica Bank	1	\$497,000		Alliance Bank, N.A.	1	\$537,500
Grow America Fund Inc	1	\$380,000		Ballston Spa Nat'l Bank	1	\$525,000
Hudson River Bank & Trust Co.	1	\$375,750		NYBDC	1	\$500,000
Adirondack Bank	1	\$260,000		Tioga State Bank	1	\$472,250
1st Nat'l Bank - Groton	1	\$250,000		OCNB	1	\$455,600
Redwood Bank	1	\$248,000		Hudson River Bank & Trust Co.	1	\$450,000
Stearns Bank Nat'l Assoc.	1	\$191,700		Steuben Trust Company	1	\$450,000
Fulton Savings Bank	1	\$150,000		Wilber National Bank	1	\$437,500
Temecula Valley Bank Nat'l Assoc.	1	\$150,000		Bath National Bank	1	\$412,500
				Watertown Savings Bank	1	\$390,000
				Lafayette FCU	1	\$312,000
				Rome Savings Bank	1	\$227,500
				Redwood Bank	1	\$187,500
				The Troy Savings Bank	1	\$175,000
				Totals:	79	\$40,526,657